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# JPRS Report—

## Near East & South Asia

**MOROCCO**

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19980120 066

# Near East & South Asia

## MOROCCO

JPRS-NEA-92-116

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3 September 1992

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## Internal Affairs

### Political Climate; King's Policies Analyzed

92AFI102A London AFRICA CONFIDENTIAL in English  
17 Jul 92 pp 4-6

[Italicized words, quotation marks as published]

[Text] The opposition is making unprecedented demands of King Hassan II in the run-up of this year's general election, the first for eight years. There is deep concern in Rabat about events in neighbouring Algeria and its possible effects on Morocco's predominantly poor and youthful population. All sides are aware that even a political manipulator of Hassan's stature can no longer count on his security machine and diplomatic skills alone to steer Morocco through the next few difficult years. The consensus which developed behind Hassan's campaign to win sovereignty over the disputed Western Sahara is breaking down—even though Morocco has gained substantial advantages over its bitter rival, the Saharawi Polisario Front liberation movement.

The elections will be used by Hassan to provide fresh faces in government if the opposition agrees to participate in some kind of 'national unity' coalition after the polls. But it will also be used to reaffirm the 'Moroccan-ness' of the Sahara, a point made by the powerful Interior and Information Minister Driss Basri, who launched a national voter registration drive last month in El-Ayoun, capital of 'the Saharan provinces'. The message behind this was explicit. Despite a new round of diplomacy by United Nations Special Envoy, former Pakistani Foreign Minister Sahabzada Yakoub Khan, the UN-sponsored referendum shows no sign of taking place—and Morocco has no compunction in seeking another form of 'mandate' to seal its hold on the Sahara, namely involving those Saharawi and other settlers from the north living in the territory in the elections.

Behind this calculation is the view that Hassan's Western allies care little for Polisario, and that even the Sahrawi movement's Third World support has diminished. Hassan knows that the UN Secretary General Boutros Boutros-Ghali does not share the commitment of his predecessor, Javier Perez de Cuellar, to resolving the dispute. UN officials have learned to live with the embarrassment of allegations that sensitive voter information had passed from the United Nations into Moroccan hands (AC Vol 32 No 25). Its special representative to the Western Sahara, Zia Rizvi, has since left the post. Above all, Hassan knows that key Security Council members such as the United States, which has been increasing its commercial presence in the kingdom—and the United Kingdom are doubtful about underwriting a referendum which could cost well in excess of its initial US\$ 200-250 million estimate. Of those most interested in the region, France also sees little need to promote a plebiscite which might embarrass Hassan during a period when Paris and Rabat have been busily building bridges (AC Vol 33 No 9).

Only about 300 members of the supposedly more than 2,000 UN peace-keeping force, Minurso [UN Mission for the

Organization of a Referendum in Western Sahara], are in place. Ceasefire violations, virtually all by Moroccan forces, are routine. It is notable that Minurso's commander, Canadian General Armand Roy, stepped down last month, to be replaced by his number two. UN operations in the Sahara are on hold.

Polisario is under pressure. Efforts to revive indirect talks, led by chief negotiator Bachir Mustapha Sayed, and trips abroad by Sahrawi Arab Democratic Republic (SADR) President Mohammed Abdelaziz, have produced few concrete results. Its two recent diplomatic successes have been to block Morocco's ECU [European currency units] 463 mn. financial protocol from the European Community (EC) and to stop moves in Senegal to have Morocco readmitted to the Organisation of African Unity (OAU) at the recent Dakar summit.

The pro-Polisario Peace for the Saharawi People group of Euro-MPs [members of Parliament] has managed to block Morocco's protocol—despite opposition by Jacques Delors; the European Commission in Brussels and leading European parliamentarians including Henry Saby—on the grounds that the kingdom continues to violate human rights and especially the terms of the UN peace process. AFRICA CONFIDENTIAL understands that the next attempt to pass the protocol will not be made until October. The European Parliament is one of the few international fora where Polisario has the whip-hand over Morocco.

Hassan's ability to hold on to the Sahara is a central concern of his generals. The King must now show that after more than three decades on the throne he can hold on to power. This he will try to do by working with an increasingly assertive, but still tame, legalised opposition.

The election period will provide a significant test of the monarchy's ability to adapt to a changing political environment. A date for local and general elections has yet to be fixed, but October is most likely, following a referendum on constitutional reforms in September and in time for parliament to resume in November, when the 1993 budget must be presented.

The constitutional referendum will ask Moroccans to approve a lower age for voters (to 20 from 23) and candidates (to 23 from 25). This is a compromise. The five party opposition *Bloc Democratique* had wanted still lower age limits (18 and 21)—and launched a bitter attack on the government of Azzedine Laraki to achieve it. Signalling that he was prepared to do business with the government (backed by loyalist parties which hold 215 of the 304 seats in the outgoing parliament) and opposition, Hassan stepped into one of his favourite roles—that of arbiter. Going even further, Hassan has said he would chair a commission to supervise elections and ensure they are free and fair.

Significantly, the opposition is pressing for more, going beyond criticism of the government to question the unquestionable (according to the tenets of 'Hassanian democracy')—the role of the monarchy. Dissatisfied with Hassan's electoral commission offer, the *Bloc Democratique* first

pushed for an independent commission. Its target here was Hassan's loyal henchman, Basri, who would normally control elections.

Then on 10 July an increasingly confident *Bloc Democratique* went much further still, claiming that royal prerogatives laid down in the *Loi fondamentale*, last revised after the 1972 coup attempt, should be amended in the coming referendum. Specifically, the opposition asked for something leaders have expressed only in private before—that the prime minister should be appointed not by the monarch but by parliament.

The *Bloc Democratique* was established in May by four parties represented in parliament and veteran dissident Abdallah Ibrahim's *Union Nationale des Forces Populaires*(UNFP). The other members are the nationalist *Istiglal*, led by ex-Foreign Minister M'Hamed Boucetta; the largest leftist party, the *Union Socialiste des Forces Populaires*(USFP), led since the death of Abderrahman Bouabid by another veteran, Abderrahman Youssoufi; the former communist *Parti du Progres du Socialisme*(PPS), led by Ali Yata, whose son Nadir was recently injured in a car accident (AC Vol 32 No 7); and the even smaller *Organisation de l'Action Democratique et Populaire* (OADP), led by Mohamed Ben-said.

All these parties are led by men aged over 60. They have been negotiating with Hassan's closest advisors—notably Ahmed Reda Guedira—many of whom are aged over 70. For both sides the political manoeuvres now under way could represent their last power plays.

All sides are aware that what happened in Algeria could happen in Morocco. Youth dissatisfaction was manifest in the 1990 Fez riots, and police believe something similar could happen again—and are preparing a more efficient response. Strikes are increasing despite efforts to control the labour movement—which include a jail sentence of two years for defamation awarded to *Confederation Democratique du Travail* (CDT) leader and senior USFP official Noubir Amaoui in April. A repeat of the 1990 general strike cannot be ruled out.

Above all the Islamist movement is giving cause for concern. Police surveillance remains intense: Hassan is determined not to lose control over the Moroccan mosques (of which he is spiritual head) as Chadli Bendjedid did in Algeria. While some 'moderate Islamists' like the regularly quoted Abdelillah Benkirane are tolerated, serious challengers such as the veteran Abdessalam Yassine and his youthful followers in the *Al-Adl wal Ihsan* (justice and charity) movement remain under arrest. Hassan will give no ground to Islamists who challenge his ruling legitimacy as *Al-Amir al-Muminin* (Commander of the Faithful—Morocco's spiritual leader) or, by mobilising discontented youth, who confront his monopoly of political power.

This view is increasingly appreciated in Europe, where persistent criticism of human rights abuses has forced Hassan to go public in closing his most notorious prison, Tazmanmart. Morocco still faces criticism for other abuses—with the name Tazmamart being replaced in human rights groups' literature by other semi-secret prisons

including the former Ahermoumou military academy and the former castle of Thami al-Glaoui, Agdez.

How far the opposition challenge can go is questionable. If the *Bloc Democratique* offensive is maintained and Hassan decides a new political formula is needed, 'loyalist' parties could lose out—although whether such loyal servants as Basri would be dropped is questionable. Hassan has recently talked of giving greater priority to social issues—suggesting a new government in which economic liberals are mixed with social reformers.

The opposition might well settle for some part in a coalition. Experience shows that leftist parties do not always win in Morocco, even if given a free hand. All sides know they must keep a lid on the Islamists who would go much further in challenging the system.

Abroad, Hassan has won support first for his skillful handling of the Gulf conflict and then for avoiding an Algerian-style eruption. The assassination of Mohamed Boudiaf has underlined Hassan's once threatened status as a leading source of 'stability' in North Africa. This will be rewarded by the Arab world's first free trade agreement with the EC and other financial incentives.

The new rulers in Algiers may not be as friendly as Boudiaf—President Ali Kafi has been described by opposition leaders Hocine Ait Ahmed as a 'fundamentalist nationalist', while Premier Belaid Abdessalam has criticised rapprochement with 'reactionary' regimes in the Maghreb, all of which bodes well for Polisario. But Algeria is unlikely to focus much on the Saharan issue again—allowing Hassan to consolidate his hold on the disputed territory. But then he will have to deal with the consequences of the end of the 'Saharan consensus' in local politics, which has served him so well until now.

#### PPS's Ali Yata Discusses Election Issues

92AF1016A London AL-HAYAH in Arabic 13 Jul 92 p 4

[Report on interview by 'Abd-al-Wahhab Badrkhan; place and date not given]

[Text] Rabat—Political parties in Morocco are experiencing the climate of an extended election campaign. Although no one knows the specific dates for elections, it is certain that a long series of successive votes will begin in early September 1992 with a referendum on amending the constitution. It is also certain that municipal elections and elections to the professional councils will follow this referendum. However, the renewal of parliament is still a topic of debate between the government and the opposition.

Until several days ago, the prevailing belief had been that parliamentary elections were linked to the Saharan referendum, which is supposed to decide the dispute over the Sahara in favor of "the establishment of its Moroccan identity." At that time, the Saharan areas will be able to elect their deputies based on their new, final status. However, statements made by King Hasan II in recent days indicate that Morocco no longer wishes to wait for the Sahara referendum, especially inasmuch as the United Nations has yet to solve the problem of determining the lists

of Saharans eligible to vote in the referendum. The holding of parliamentary elections has also been linked to the government and opposition reaching an agreement on guarantees of the "fairness of the elections." In this regard, the dialogue between the two parties is continuing in the framework of a committee formed by the Moroccan monarch to supervise the election process. The most salient problems are: voter lists, the distribution of districts, the government's neutrality, and the availability of equal opportunities for all candidates regardless of their political affiliation. What is the status of this dialogue? Has the opposition obtained a sufficient number of guarantees to encourage it to declare that it will enter elections? Or is a boycott still a possibility?

The chairman of the Party for Progress and Socialism [PPS] (the Moroccan communist party), Ali Yata, states to AL-HAYAH:

[Yata] "We are participating in the dialogue to ensure that the elections will be fair and free in every sense of the word. We have made significant gains in this dialogue. However, our task is not completed yet. We must continue the dialogue and the struggle until we achieve as many as possible of the demands which we have submitted."

Mr. Yata is one of five figures comprising the leadership of the Democratic Bloc, which also includes M'Hamed Boucetta (Istiqlal Party), Abderrahim El-Yusufi (Socialist Union of Popular Forces), M'Hamed Bensaïd (the Democratic Popular Labor Organization), and Abdallah Brahim (The Patriotic Union of Popular Forces). The leaders of the bloc are now declaring uniform positions regarding political reform for the sake of "fair and free elections." The bloc has adopted a unified memorandum, which it has submitted to King Hasan II, who announced two days ago that he agreed to most of the points contained in the memorandum.

Mr. Yata believes that there must be a "legal basis" for the national committee tasked with monitoring the elections, "so that its authorities are clear and fixed, and its decisions are taken into account." He stated that this basis could take the form of a royal decree or even a letter of response to the opposition's memorandum.

Yata does not see any difference between the government and the parties in the government's orbit: "They are defending a single line. They do not differ in substance, although they occasionally differ regarding formalities."

However, the parties loyal to the government and their circles believe that the opposition is not entering into an initial battle, but is rather promoting the slogan of "fair elections" to ultimately obtain advantages as part of a deal with the government. Yata responds that "the governmental parties should not be confused with the opposition, because the former have neither credibility nor influence. The influence which they do enjoy is derived from the government's influence, if the government has any influence. The opposition parties, on the other hand, have broad influence throughout the country and enjoy a good reputation domestically and abroad. A recent gathering held in Rabat indicated the mass appeal of the Democratic Bloc and amazed many observers."

He justifies his remarks by stating that the opposition "waged very difficult battles in past years, especially in the past two years. It has made major sacrifices which have made an impact in popular circles. By contrast, what have the governmental parties done? What were their positions on the struggles which the Moroccan people have waged? Nothing. We have made sacrifices. We have fighters who have been subjected to pressure, torture, and death. These are our assets." He adds: "We reject the claim that we are currently acting only to enter the government. If the opposition wanted to obtain cabinet seats, it could have done so years and years ago. Yes, the opposition parties want to participate in developing the country. We do not conceal this. There is no party which does not wish to participate in decisionmaking. However, we will not do so by surrendering or conceding our principles, but through legal means, recognition of the legitimacy of our demands, and the obtaining of sufficient guarantees of the democratic conduct of the country's affairs."

Will the "bloc" persevere and hold together until the elections and after the elections?

Yata: "Yes, it will persevere, because we have a strategic plan and a broad program, of which elections constitute only a small component."

Will the bloc's parties participate in the transitional government which is now the subject of so much discussion?

Yata: "We have heard the rumor in circulation. We have demanded such a transitional government for a long time. No one has consulted us regarding this subject so that we can adopt a position on it. At the same time, we believe that changes must be introduced to the current government. It is inconceivable that the governmental parties would supervise elections. That would involve governmental means being used to favor the government's candidates, as was done in the past. This contradicts the idea of fair elections."

Have the parties in the bloc decided to participate in the elections?

Yata: "The bloc wishes to participate, and it is presenting its conditions for such participation, the most important of which are fairness and credibility, which, if they are available, will ensure the bloc's participation. Otherwise, no one can now predict what the situation will be."

#### Polisario Collapse Would Solve Saharan Problem 92AF1016B London AL-HAYAH in Arabic 11 Jul 92 p 4

[Report on interview with Khali Hanna Ould Errachid, minister delegate for the development of the Saharan Province, by 'Abd-al-Wahhab Badrkhan; place and date not given]

[Text] Rabat—The Moroccan minister delegate for the Development of the Saharan Province, Khali Hanna Ould Errachid, believes that the participation of the Polisario Front [the Popular Front for the Liberation of the Sagouia el Hamra and Rio de Oro] in the recent African summit in Dakar, Senegal will not save it from collapse. He believes that the Saharan problem will not be settled unless this front

collapses in "the coming months and weeks," anticipating that it will collapse sooner than expected by those concerned with the problem.

In an interview with AL-HAYAH, Minister Khali Hanna Ould Errachid stated that "the Polisario force is hiding in camps located on Algerian territory. However, the camps are now suffering from a severe crisis regarding living conditions. They lack medicine, food for the children, and fuel. The residents of the camps also suffer from a stepped-up blockade to prevent persons wishing to leave the camps from doing so."

Morocco is moving toward a political change involving the parties having greater participation in government following the elections. It would nonetheless prefer that this change [i.e. parliamentary elections] occur after the Western Sahara problem has been settled. It is known that the Sahara and the Saharans are waiting for a UN-sponsored referendum. However, the process of preparing the referendum has become protracted, and it now seems to have met with difficulties, after it proved to be impossible to arrive at an acceptable determination of the number of persons eligible to vote in the referendum.

#### The Number of Voters

Minister Ould Errachid stresses that the determination of the number of [Saharan] voters would remove the last obstacle to the holding of the referendum. However, the UN mission is still studying the topic to formulate unequivocal criteria for determining who is a Saharan and thus entitled to vote. The other problems are technical in nature.

A Moroccan source summarizes the official position as follows: "All Saharans will participate in the referendum, and only Saharans will participate in it." However, according to Minister Ould Errachid, the Spanish census (70,000), which the "Polisario" is using does not reflect reality, because it ignores tens of thousands of Saharans who fled to Morocco and other countries to escape Spanish colonialism or to avoid the confrontations of war. "They are Saharans too and must be given the right to participate in the referendum."

In providing a historical sketch, Minister Ould Errachid recalls that the Polisario declared at the outset of the problem that the Saharans number 1,000,000. After a period, it stressed that they numbered 750,000, then 350,000. In 1985, it stated that the camps alone contained 150,000. Then, in 1990, "it became satisfied with the 70,000 recorded by Spain." However, he refutes the last number: "Who determined it? Spanish colonialism in the absence of any civilian administration and in specific circumstances in which it would attempt to best Morocco in the referendum. Today, the 70,000 figure no longer represents the truth, because the Saharans have multiplied, whether in the camps of Tindouf, here in Morocco, or in the diaspora." He adds: "The decision is now in the hands of the UN secretary-general. The three months set aside to solve the number problem will expire in late August." Will the secretary-general visit Morocco? He responds: "If he has nothing new, I do not believe that he will come. If there is nothing new, no progress regarding this matter in general will occur."

#### The Elections and Their Effects

Minister Ould Errachid pointed to the effects of [the prospects of] elections in Morocco on the Saharan problem. He states that the Polisario fear these elections "because they will lead to a major collapse of morale in the camps which it controls, but which it is now having major problems in managing." He adds that the elections in Morocco will shatter all of the Polisario's hopes regarding the Sahara referendum. The Polisario bet on this referendum as a way for it to emerge as an influential party in confronting Morocco. Accordingly, it gave promises to the residents of the camps and affirmed that the referendum would occur in January 1992. The residents acted accordingly, but the promises are now unfulfilled.

What do the elections mean for the Saharans? Minister Ould Errachid: "When the Saharans see that the elections are being held in the Saharan areas, as in all Moroccan areas, they will conclude first that the Polisario's demand that the Sahara be placed under a UN mandate is a fallacious idea. Second, Morocco is determined to exercise its full, undiminished sovereignty." He adds that the holding of elections and the delaying of a referendum "will create a general atmosphere that will encourage many Polisario cadres to flee, which will contribute greatly to the dissolution of the front's authority in the camps. In a nutshell, elections will expedite the Polisario's self-dissolution."

The minister reported a drop in the number of middle-level cadres, following a major decline in the number of senior political and military cadres. He explains this as "the result of grumbling and dejectedness at the popular level in general, and at the leadership level in particular." He states that "popular dejectedness can be attributed to the fact that the Polisario is holding the Saharans hostage. None of them can move from Tindouf to Semara [in Western Sahara] for example. Traveling further than that is also impossible for people who lack identity cards, passports, and papers."

#### The Organization of African Unity

Does the absence of Algerian President Mohamed Boudiaf affect the course leading to a solution to the Sahara problem? Minister Ould Errachid focuses on the fact that Algeria "adopted a fundamental position of supporting the referendum, and this position still stands. Domestic developments in Algeria have no doubt made the Sahara problem a secondary problem."

Morocco has expressed bitterness with the position of the OAU summit, which did not attempt to review its admission of the "Republic of the Sahara" as a member in the organization. He explains Morocco's position: "Most regrettably, the Africans have not attained to the political maturity [needed] to see and acknowledge the mistake which they made when they recognized an organization which has none of the basic components of a state. It is strange that the OAU did not recognize the liberation movements in Mozambique, Angola, and Guinea-Bissau. Nor did it recognize the African National Congress in South Africa. It did not even recognize a movement or organization that champions the liberation of Eritrea. However, it recognized the Polisario,

which has none of the basic components of statehood. Why did it recognize it? The answer can be found entirely in [inter]Arab disputes.

Does Morocco agree to the OAU's participation in the supervision of the Sahara referendum? He responds: "First, the OAU cannot call for a referendum when it has already recognized the "Republic of the Saharan." In other words, it has already recognized the result of the referendum which it deems appropriate. Morocco's unequivocal position is that the OAU must first establish its neutrality if it wishes to participate in the referendum."

**Regime, Opposition Views on Elections Analyzed**  
*92AF1000B London AL-SHARQ AL-AWSAT in Arabic*  
*11 Jul 92 p 14*

[Article by Talhah Jibril]

[Text] In this analysis, Talhah Jibril writes from Rabat on the latest developments in the political arena concerning the upcoming elections. He observes the positions of the government and the opposition on this subject, which have exceeded their bounds in Morocco.

It can be safely said that the Moroccan opposition parties will participate in the upcoming elections, though they had hinted that they might boycott them if their demands were not met.

Even though a state of contention persists between the government and the opposition parties on the circumstances under which the elections are to be held, and the proposed constitutional amendments, things are going forward.

During a press conference given by the Moroccan monarch King Hassan II last Tuesday, he said, commenting on the proposals of the opposition parties, "I have given the utmost consideration to the submitted proposals."

On the subject of the elections, he confirmed that "guarantees will be provided, and we are in the process of working together so that these elections will be held within a framework of complete openness, because that is in everybody's interest." He went on to say, "We want elections whose results will be above reproach."

These statements came at the same time a letter was sent by Ahmad Rida Akadirah, counselor to the Moroccan king, to opposition leaders, indicating that it would be impossible to accede to their demand that an independent agency be formed to oversee the elections. Akadirah said that the national committee, which was formed under the chairmanship of a judge and which included leaders of all parties, would be sufficient for the purpose.

It is clear that the opposition parties do not want to stand outside the door, but they see the seats that were allotted to them around the table as uncomfortable.

They are participating in meetings of the national committee without fail. During the meeting held yesterday, Friday, the impartiality of the elections was discussed, as were the committee's authority and how it would operate; also, draft texts of election laws were studied.

Alongside that, the leadership bodies of the opposition parties called upon their supporters to register themselves on the new voting rosters. They said that the renewal of these rosters counts as a victory for the opposition. On the other hand, they were careful to stress that registering does not mean making a definite decision to participate.

It was noted that on the day following the response sent by Akadirah to opposition leaders, opposition papers published a memo submitted by these parties to the Moroccan king last June 19. It called for basic constitutional changes to be made, that would decree that the head of government belong to the parliamentary majority, and that would grant him the authority to choose his ministers. The amendments propose that voting on the government agenda be tantamount to granting or withholding confidence from the government. The memo calls for reducing parliamentary terms to 5 years, and for the formation of supreme constitutional councils concerned with economic and social affairs, security and defense, and the media.

It seems that the publishing of the memo more than 2 weeks after it was submitted was timed to send an indirect response to Akadirah's letter, which had reservations about the opposition's request that an independent agency be formed to oversee the elections. Politics in Morocco are played this way, manifestly sometimes, but most of the time symbolically.

What is absolutely clear is that the opposition parties want more of their demands to be met, and they are trying to play their cards skillfully. To a large extent it is the policy of an open game, which discards options that hurt, and exchanges them for sensible solutions.

On the other hand, the belief prevails that what the opposition demands these days was demanded years ago, that these demands have been met to the utmost extent, and that the maximum concessions have already been made.

It is also clear that each side understands well what is wanted, and what is possible.

There is an issue having extreme importance that must be set in the context of this observation. It is that the leadership of the opposition parties are more moderate than the rank and file, therefore the opposition leaders say that the matter does not rest with them, but rather with the rank and file who must be persuaded to accept these "maximum" concessions.

Thus the language of the opposition appears to be contradictory. It does not officially announce that it will participate in the elections, but at the same time it is working towards such participation. As one opposition politician put it, "He who trains an army to fight, must be resolved to join the battle." He added, "It is impossible to mobilize the rank and file on the basis of joining the election battle, and to have at the same time the intention to boycott it."

However, these profound words are not said publicly. The most difficult thing in Morocco is to ascribe something frank to anybody.

The English saying "to put words in someone's mouth" is not a favorite saying in Morocco.

Therefore, things seem to be totally different to the foreign observer. But if you could talk to any side, with a commitment that you would not ascribe anything to it, things would then be clearer. Thus the situation can be summarized as follows:

- The opposition believes that circumstances are favorable for embarking on a different election experiment, but it is looking for more eggs to put in its basket.
- The government believes that many demands have been met, and that Morocco, which has [democratic] establishments and has been involved in the democratic experience since its independence, cannot become like those African states that started from zero when they began to democratize their political life.

There is no doubt the two sides are looking beyond the elections. The opposition believes that holding free, unbiased elections will mean the exchange of many roles and positions, and of the centers that have remained effective for years, and that it will have an unlimited hold on the strings [of power].

The government believes that a reasonable limit has been achieved, and that the autumn gusts must not turn into storms that would uproot many things in one swoop.

Let us conclude with a telling statement made by the Moroccan king during his press conference. He said in response to a question on the opposition parties' insistence that the integrity of the elections be guaranteed:

"I do not want to get into a debate in this regard. Despite that, I want to make clear that most of the local governments of the big cities are held by parties that are not part of the government. If anyone says that the Moroccan elections were not the best elections possible, so be it. I am as eager as can be that the upcoming elections be above any suspicion."

#### **Voter Registration Expected To Reach 13 Million**

92AF1050B London AL-SHARQ AL-AWSAT in Arabic  
22 Jul 92 p 4

[Article by Munsif al-Salimi]

[Text] The Moroccan Government has urged citizens to redouble their attention to the voter registration process launched at the beginning of the present month of July. Government officials and party leaders have called, in statements broadcast on television and over the various Moroccan media for youths and women to declare their participation in the political life by registering in the new voters' lists that are replacing the old lists in effect from the beginning of Morocco's independence.

Moroccan Minister of Interior and Information Driss Basri called for the highest rate "of joining political parties of various persuasions, in total freedom," emphasizing that "the parties stand alongside the constitutional institutions and local (non-central) societies, a constituent factor of the democratic experience in Morocco."

Basri was in a meeting held with the Commission of Architects in the city of Mohammadia, and remarked upon the concern of numerous government and party officials to urge Moroccan citizens to participate in the voter registration process. The latest reports from the Interior Ministry's Election Bureau, published the day before yesterday evening, say the number of registrants reached 7.68 million Moroccan citizens, including 3.74 million women.

The intensified call to participate in the registration—criticized by opposition newspapers for some of its methods, such as directly contacting citizens at home to prod them—comes ten days before the registration deadline on the 31st of the present month of July. According to the current prediction for the registration process, the daily average for registering is estimated at about 380,000 citizens. In the case of the province, it is the same average up to the deadline of the registration process. The total number of registrants is expected to reach about 11.5 million Moroccans, or less than the 13 million officially projected for the voting bloc (total voter registrants).

This is what is now pushing Moroccan authorities and party officials to urge citizens into the voter registration process, which official circles consider to be "a first and fundamental phase of political participation and defining the future of Morocco's political scene at the constitutional level (Parliament), and the local (non-centralized) level, as described by Moroccan Minister of State Moulay Ahmed Alaoui. The opposition press, meanwhile, considers that "voter registration is the first battle in the election competition process."

The official media published copies of the registration of senior officials' names in the lists as advisors to Moroccan ruler King Hassan II, ministers, and senior government staff. Party officials, including the opposition, took turns on television calling upon citizens to participate, though it was noticed that these calls were not made by the party chiefs of the Istiqlal, Socialist Union, or the opposition Democratic Action Organization, [which were] limited to second-rank leaders.

It was mentioned that the voter registration process, according to the requirements of the new Moroccan election law, requires voters, who are at least 20 years old, to show their "national [ID] cards" or official or civilian documents proving their residence or their payment of taxes in the election offices he reports to.

On another front, World Bank President Louis Briston, said that "it was not within the jurisdiction of his institution to give political advice to governments," adding that "the charter enacted for World Bank's activity limited its jurisdiction to economic advice and reports."

Briston was responding to a journalist's question put to him recently in a conference held in Rabat, on whether the President of the World Bank had urged the Moroccan officials he had met in the Moroccan capital to move forward a series of political and constitutional reforms, with the approach of the upcoming elections. But Briston indicated that "the Bank's recommendations centered on the clarity and good direction of financial and administrative

matters" and required the "participation of the various economic and political factions."

**Opposition Concentrates on Urban Electorate**  
*92AF1069A London AL-SHARQ AL-AWSAT in Arabic*  
*25 Jul 92 p 14*

[Article by Hatim al-Butaywi]

[Text] Rabat—Registration in the electoral lists will end on 31 July, thus ending the first stage of the election campaign which is expected to be a hot battle.

Given that the official Moroccan estimate of those who will register for elections will reach 13 million electors, then the remaining days for registration will call for gigantic efforts to be made in order to reach this goal, particularly in view of the fact that the number of those registered up to last Tuesday reached 8,048,330 voters, including 3,932,106 females and 4,116,224 males.

Despite the fact that the majority parties right from the beginning hastened to call on the citizens to register in the electoral lists and to mobilize its supporters for this purpose, the minority parties' action came several days late and was uncoordinated, that is every party taking its initiative separately.

Observers have attributed the late call by the opposition parties for the citizens to register in the electoral lists to the concern these parties feel over the drop in the rate of registration in the cities while registration in the country is showing a significant increase.

The Moroccan opposition parties are perhaps well aware more than ever before that their real capital in the Moroccan democratic project is in the urban electors, and that investment in the Moroccan country is not a guaranteed investment, in view of the fact that Morocco's countryside is "immune" to party political activities due to political, economic, and social conditions.

The opposition parties should have joined the campaign for electoral registration so that they will not miss the election process which was ushered by a memo by Aimed Rida Akdira, adviser to the Moroccan Monarch, concerning jurisdictions of the national committee supervising the elections. The memo, according to observers, has put an end to the argument going on between the government and the opposition, while the opposition parties considered it disappointing. Within the same context, the opposition parties continue to talk about infractions committed in the electoral registration in the various regions and provinces by ignoring its call for registration. In this regard, the national committee for supervising the elections held a meeting recently, during which the opposition parties discussed these infractions and called for setting up regional committee to investigate the matter.

The opposition parties note that for the first time in Morocco's history registration in the electoral lists represents a political dimension that elevates it from a mere administrative action to a struggle for the sake of democracy. The electoral lists in the past, according to the opposition's view, were ready-made, since electoral registration

used to be opened quietly and did not involve all possible voters. The political dimension is also linked to the renewal of political life that cannot exist without regarding registration in the electoral lists as a fixed element of the political struggle. According to observers, the position of the opposition parties, with the exception of the Progress and Socialism Party, vacillates between participating in the elections and boycotting them, which is merely an attempt to pressure the government in order to obtain the largest amount possible of electoral gains.

In the midst of this electoral surge the lines sometimes become confused. We see the Constitutional Union Party (parliamentary majority) criticizing the ministry of interior which has, with the help of its "followers," gone out to the streets, knocking on doors in order to call on people to register in the electoral lists. It said that the ministry should have organized information seminars with the aim of convincing the public through persuasion and debate of the effectiveness and usefulness of registering.

The Constitutional Union Party believes that the ministry of interior should change its mentality, a demand that will be one of the slogans of the opposition parties that will have nothing else to protest, or will be an excuse to justify their expected failure in the electoral battle other than blaming this on the authorities.

On the other hand, the high percentage of electoral registration among women has aroused great interest among observers in the Moroccan capital, since the difference between them and the men is small. The opposition AL-ITTIHAD AL-ISHTIRAKI paper attributed the small difference between the two sexes to the fact that women of the sixties are not the same as those of the nineties. The women have become more aware and have shown a sense of responsibility in dealing with the challenges and difficulties they encounter. AL-ITTIHAD AL-ISHTIRAKI said its call on the Moroccan women to continue registering in the electoral lists stems from the fact that this is the beginning of the battle against the marginalization of women, detracting from their abilities, and dismissing their importance.

It is noted that Moroccan political parties have begun paying attention to women more than ever before. Several women gatherings have been held, far more than those held in previous elections. Not satisfied with this, some women have called for establishing a women's party.

Generally, the election "carnival" that started prematurely and with great fanfare when the opposition parties submitted a no confidence motion in the government of Azeddine Laraki in May 1990, has slowed down because of the summer heat. It will not regain its noise and vigor before the end of summer vacation.

The election process is steadily heading towards consolidating Moroccan democracy in an atmosphere of national dialogue and unity. All this is happening under the aegis of a powerful state that gives every citizen his due. Moroccan monarch Hassan II recently laid the cornerstone of a project to build 20,000 housing units to accommodate 100,000 people. He also laid the cornerstone for the construction of a 150 km long expressway which, in the first stage, will link

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Rabat with Elaraiche (northern Morocco), and the cornerstone for the Al-Akhawayn University in Ifrane. All of which are clear indications from King Hassan II that democracy can be effective only if there is comprehensive socio-economic development to match it.

### **Government Criticized for Situation in Algeciras**

**92AF1163B Casablanca L'OPINION in French**  
**6 Aug 92 p 1**

[Editorial by Mohamed Idrissi Kaitouni: "TME (Moroccan Workers Abroad): The Government Failed To Do Its Duty"]

[Text] The ordeal of the Moroccans who reside abroad and come back to Morocco to spend their vacations with their families continues.

In fact, tens of thousands of Moroccans working in Europe are stranded in Algeciras, waiting to board a ship to Morocco.

The wait is six days for those who want to go to Tangiers, and two days for those who want to go through Sebta, which is still under Spanish colonial occupation.

This is the second time in a month that such a "traffic jam" occurs.

The first time, striking Spanish crews were blamed—their strike interfered with normal passenger traffic between the south of Spain and Morocco—but today the cause is the blatant lack of ferries across the Strait of Gibraltar.

These tens of thousands of Moroccan workers stranded in the south of Spain live in unbearably difficult conditions, especially young children who risk dehydration because of the torrid heat that prevails in the region.

This deplorable situation once again shows government improvisation and the lack of any provisional policy that would have prepared an emergency plan to help these workers in transit and solve problems of this kind, which were to be expected as this is in no way the result of unpredictable and compelling cause majeure.

The Moroccan government should have taken all the measures required to make the transit and the crossing easier and to provide Moroccan citizens with all the conditions necessary to speed up things and reduce their stay in the south of Spain to a minimum; such extended stay is detrimental both to their health and to theirs wallet since they must dip into their foreign currency savings to meet the unavoidable cost of a stay that is prolonged at their expense.

It is the government's duty to make sure that Moroccan workers who come back home at this time of the year can do so peacefully and safely, and that their rights are respected, rather than abandon them to their sad fate. The young immigrant generations should have pleasant memories of their vacations in Morocco to enable them to cope with the threats of alienation to which they are exposed.

Once again, the government failed in its mission and in its duty to Moroccans who reside abroad. It should take all the blame for it.

### **Rabat-Tangier Expressway Inaugurated**

**92AF1069B London AL-SHARQ AL-AWSAT in Arabic**  
**25 Jul 92 p 1**

[Article by Dirgham Masrujah]

[Text] Casablanca—Moroccan Monarch King Hassan II has laid the cornerstone for the construction of Rabat-Tangier expressway. As a first step, it will reach the boundaries of Elaraiche town (150 KM north of Rabat) and will take three and a half years to complete. Italy has provided loans to Morocco with a total of 600 million Moroccan dirhams to fund the project. The Arab Fund and the Kuwaiti Fund will contribute one billion Moroccan dirhams (a U.S. dollar is equivalent to eight Moroccan dirhams).

Official Moroccan sources estimate the total cost of the project at 2.13 billion dirhams, out of which the Moroccan Company for Road Construction will cover 536 million dirhams. Moroccan officials said the project, considered to be part of a road network Morocco is building, "constitutes an important stage in linking Africa with Europe."

It is noted that the town of Tangier is regarded as the most important crossing from Spain and Western Europe to Morocco, the Arab Maghreb countries, and the rest of African countries. It receives annually an increasing numbers of travellers and tourists as well increasing trade traffic. The rate of crossing through Tangier will double when the projected continental link between Spain and Morocco is completed by the end of the 1990s. The day before yesterday Moroccan Monarch King Hassan II laid the cornerstone for a modern housing project in the town of Sela, near Rabat, consisting of 20,000 units that will accommodate about 100,000 people.

The cost of the housing project, considered to be one of the biggest housing communities in Morocco, is 10 million dirhams which the Moroccan Monarch personally donated with the aim of easing the housing problem from which a considerable number of people suffer in Moroccan towns.

In Casablanca Moroccan Crown Prince Sidi Mohamed inaugurated the new arrival terminal at the Mohamed V Airport and a new railroad linking the airport to Casablanca in order to cope with tourist traffic between Casablanca and the airport. The train will cover the distance between the airport and the city in 30 minutes, and between the airport and Rabat one hour. Other towns will eventually be linked to the line in order to facilitate the movement of passengers and goods. The project has cost 450,000 dirhams and will transport 1.5 million passengers in the second half of 1992. By 1993 its capacity is expected to increase to 3.3 million passengers using 12 trains in the outward journey and 13 trains in the inward journey from the airport. They cover a distance of 6 km from Casablanca to an underground station equipped with the most up-to-date security and services system. The station was completed in 18 months at a cost of 600 million dirhams of which the state provided 8 percent and the African Development Bank 83 percent.

**Border Situation at Tangiers Discussed**  
*92AF1074A Casablanca LA VIE ECONOMIQUE*  
*in French 17 Jul 92 p 12*

[Article by Jamal Amiar: "Waiting To Emigrate from Tangiers"—first paragraph is *LA VIE ECONOMIQUE* introduction]

[Text] It is summer, the time for vacations and the awaited return en masse of Moroccan workers abroad who ride off the ferry in Tangiers in vehicles laden with gifts and gadgets for the family, enviously watched by Moroccans who do not have visas but who dream of going abroad and one day making the same homecoming. Since Spain enacted a visa requirement 15 months ago, young men and women from Beni Mellal and Fes or from more distant places like Niamey and Monrovia have waited in Tangiers, their gaze directed northward, over the sea's horizon toward Europe, only 14 km away. These young people are already referred to as "illegals."

You must be seated at a cafe in the medina of Tangiers on a Monday evening between 2000 and 2130 in order to understand what makes dozens of Moroccans dream of finding passage to the Spanish coast at Tarifa or Algeciras: On Monday evenings, Spain's Channel 1 broadcasts the game show "The Price Is Right" in which a player can win an item and tens or hundreds of pesetas by naming the exact price of the item. It looks easy, it is purely material, and it fuels dreams. Moreover, material goods and money are precisely the hardest things to come by south of the Mediterranean and in Africa.

**The 'Sharks' and the 'Lambs'**

In the medina of Tangiers, the small hotels and boarding houses have rented all their rooms in the past few months to young people waiting to amass the 5,000 or 6,000 dirhams needed to pay for secret passage into Spain in a small boat "on a moonless night" with no wind. Provided that their "captain" is not a cheat who picks up his clients at the base of the Kasbah only to drop them off near Cape Malabata, assuring them that they have reached Spain. In this environment, the smugglers are called "sharks" and their clients are called "lambs."

In the past 15 months, many would-be emigrants have succeeded in making the crossing; others not. Some have lost their lives in the gamble. A small boat can capsize quickly and the strait's heavy traffic of commercial ships creates a high risk of collision. According to unofficial estimates, 1,000 died by drowning or in accidents in 1991. The actual number is undoubtedly lower, but on a "good" night, as many as 10 boats carrying some 20 people sail from the beaches near Tangiers and Ksar Seghir. With a bit of luck, and barring an accident, the civil guards will not be waiting on the Spanish shore. At times, they are there. In 1990, 263 illegal immigrants were apprehended by the civil guard of Algeciras, including 142 Moroccans in 1991. Six hundred forty-one were apprehended including 422 Moroccans in the first five months of this year, 496 illegal immigrants were apprehended, including 321 Moroccans

and 125 Liberians. [sentence as published] Those figures do not include interceptions at Cadiz, Tarifa, or Almeria.

After a report is filed, the Moroccans are generally sent back to Tangiers within 48 hours, and the Africans who reveal their nationality receive the same treatment. But illegal African immigrants often refuse to disclose their nationality, which earns them a legal maximum of 40 days of detention, after which they are released pending a court expulsion order. In the meantime, having acquired a document attesting to their status, they simply disappear. In order to halt that practice, Madrid recently signed an agreement with Rabat to deport illegal aliens to the country from which they made the final leg of their journey to Spain, which would be Morocco in such cases. The agreement has yet to be ratified by Spain's parliament. There is a rising outcry in Madrid against "las espaldas mojadas" or "wet-backs" as they are called, a term originally applied to Mexicans who swam the Rio Grande to enter the United States. The would-be immigrants tend to be between the ages of 20 and 30, with little education and humble backgrounds. They dream of working and leading a normal life in Europe. The culmination of the dream would be to return home to a house built with money earned during the years spent working in the north. Meanwhile, their day-to-day existence continues here with hopes of soon leaving to live "over there."

**The New Adventurers**

Abdou, 23 years old, comes from the hinterland of Tangiers. He found work keeping an eye on and washing cars near one of the city's markets. Twice he has made the passage to Spain but his luck was short-lived. The first time, he was given free passage in a small boat in return for bringing in clients but all were arrested on a beach in Tarifa.

The second time, Abdou stowed away inside a semitrailer in the harbor of Tangiers. He waited until the truck passed through customs to climb on top of the trailer and cut a hole in the tarp. In Algeciras, Abdou left his hiding place to take the first bus for Almeria where he worked for two months at a construction site. He was caught during an identity check and sent back to Tangiers. This summer, Abdou is earning up to 500 dirhams a day washing cars, changing money on the black market, and working as an unlicensed guide. Come the end of summer and the end of the tourist season, he will again be tempted to make the crossing.

His willpower and determination to beat the odds are shared by the Senegalese and other Africans who fled war and poverty to await their turn in the harbor district. Moussa was an apprentice mechanic in Dakar, but for several months he has made a living by small dealing in Tangiers where he, too, changes currency and sells African crafts brought in by newcomers to local bazaars. He is waiting for the right moment to leave. Like Abdou, he will try to make the journey when the tourist season slackens. He dreams of Amsterdam where, acquaintances told him, "work is easy to find." Moussa's fear was that he would "remain an apprentice mechanic" in Senegal. "If I wanted to marry, who would have accepted me as a husband?"

**French Cement Firm Seeks To Increase Presence**  
**92AF1040C London AL-HAYAH in Arabic 16 Jul 92 p 10**

[Article by Muhammad al-Sharqi from Rabat]

[Text] The French Cement Company has strengthened its presence in the cement-producing sector in Morocco by opening a new factory last week in Safi, south of Casablanca.

"Cemasfi" is considered one of the largest and most modern plants for producing and treating cement and clinkir in Africa. Sources inside the French company said that the plant would be able to produce about 800,000 tons of the material in the next two years, with production surpassing 1 million tons by the end of the century.

Pierre Consomeau, President of the French Cement Group, which owns another factory in Agadir in the south of the country, built forty years ago, said that "the cement sector is very promising in Morocco, because of the country's need for increased foundation building." He added that his company, with the establishment of its new factory, enhanced its position at the center of major construction activities in Casablanca, now dominated by the rival French LaFarge Group's Sinuco Co.

The two French firms' competition for control of the cement production market in Morocco, which amounts to 6 million tons annually, and is growing at a rate of 11 percent, heated up two years ago.

French Cement was able, in 1990, to realize a great achievement by snatching the Cemasfi deal, worth 660 million French francs, of which the French company offered a 60 percent share, while the National Bank for Economic Development and the National Investment Company funded 40 percent of the project cost. The World Bank's International Financial Institution, the SNA, participated with a loan of 160 million francs over 12 months, and the Banque National de Paris advanced 30 million dirhams.

**New Factory**

With the entry of its new plant into the realm of production beginning next fall, French Cement will oversee a third of Morocco's production of cement and its derivatives. The LaFarge Co. now controls nearly half of production through its factories in Casablanca (Sinuco), Marrakech (Asmar), and Fes.

Competition is at its most intense between the two firms for control over Siyur Cement al-Sharq, a national corporation that will soon be opened to privatization. Siyur is considered the largest cement plant in the region of North Africa, with an annual production of 2 million tons and sales volume in 1989 of 800 million dirhams (\$1 million).

Sources close to the Ministry of Privatization say that Siyur will be put up for privatization in the coming months, possibly before the end of this year. The sources add that other foreign, non-French companies, had expressed the desire to have shares in the East Morocco Cement Co., among them Saudia Cement, the Swiss Huldigan, and Italia Cement.

The French desire to enter into the privatization-candidate Siyur Co.'s capital is clear. The Islamic Bank in Jeddah owns 18 percent of its capital, which at the time of its founding in 1979 amounted to 242 million dirhams.

Official sources in the Omnium North Africa Group (ONA) denied to AL-HAYAH the existence of negotiations with Saudi Cement for the purchase of shares of Siyur after its privatization, and at the same time sources confirmed that ONA was not interested in that kind of privatization.

The ownership of the majority of the shares in the corporation belong to the Bureau of Industrial Development (82 percent). Siyur is counted among eight companies to be privatized soon, as part of the first roster of public industrial companies whose ownership will be transferred from the public to the private sector. It is said that six of these eight companies belong to the Bureau of Industrial Development.

Relevant parties believe that the French companies may have found themselves distanced from the project to sell Siyur, to the advantage of other parties that may be Saudi, Swiss, or even Italian, preventing the two French firms from monopolizing the cement production market in Morocco.

Those sources estimate the country's cement needs in the coming years at 10 million tons per year, which intensifies competition in the market. Larger projects such as the Unity Dam, the Tangiers-Rabat highway, and the thermal compound of the Asgar Cliff are considered to be those most in need of cement.

French Cement won a deal to supply the phosphate compound project in Safi, as Siyur sought increased cement for the Unity Dam project (whose construction cost is \$1 billion), and the highway project. If the company should get these deals, competition for control over them will grow fiercer. In light of this, it cannot be ruled out that Spanish and Italian companies will join the competition, weakening the French firms' chances, especially as Spain and France have huge construction projects in Morocco, with investments in them exceeding \$1 billion each.

**Trade With EC Increases in First 3 Months**

**LD1508130492 Rabat MAP in English 1219 GMT  
14 Aug 92**

[Text] Brussels, Aug. 14 (MAP)—Trade exchanges between Morocco and the EEC reached, during the first trimester of 1992, 1,920 billion (ecus [European currency units]) recording a 183 million ecus increase compared to the last year's figures, said the EEC statistics office "Eurostat."

Morocco's imports during that period are valued at 994 million ecus, while exports are worth 926 million, "Eurostat" said recalling that in 1991 Morocco-EC overall trade exchanges reached 6,885 bl [as received] (ecus).

**Ten International Banks Locate in Tangier**

**92AF1016C London AL-HAYAH in Arabic 11 Jul 92 p 9**

[Report on interview with Finance Minister Mohamed Berrada, by Muhammad al-Sharqi; place and date not given; quotation marks as published]

[Text] Rabat—Mr. Mohamed Berrada, the Moroccan finance minister, stated that at least ten international banks will open branches in the free financial zone in Tangier before the end of the year. Berrada said that Banc Nacional De Paris and Credit Lyonnais opened branches in Tangier last month, and an international bank of the Saudi Dallat-al-Barakah group is expected to be established in the next few months.

Berrada told AL-HAYAH that no less than 20 international banks have applied to establish branches in Tangier, including European, American, Asian, and Arab banks. He disclosed that the Free Financial Zones Law, which parliament approved last year, "does not at all aim to grant an international ruling system to the city of Tangier. Rather, it aims to determine the terms and the nature of operations that can be effected in the city...The law stipulates the creation of a committee subordinate to the finance minister to monitor the activity of free banks and companies that manage securities portfolios..."

He stated that the free financial zone is intended primarily to attract international capital to finance Moroccan companies on soft terms.

A second goal is to grant an opportunity for international banks to transfer skills to Moroccan banks. The zone is also intended to facilitate provincial development by providing jobs, and to lower the cost of managing free organizations and their related activities.

Regarding Morocco's foreign debt, which totals \$20.5 billion, Berrada stated: "In recent years, Morocco has achieved relative control over all foreign debt indicators. Foreign debt liabilities, which totalled 97 percent of GDP [gross domestic product] in 1983 and 133 percent in 1985, dropped to 81 percent in 1990 and 75 percent in 1991. Also, debt servicing, compared to exports and the remittances of emigres, dropped from 44 percent in 1983 to 36 percent in 1991, compared to 58 percent in 1983 and 71 percent in 1986."

Berrada attributed the improvement in the debt position to the economic reform policy adopted by the country in 1983 through an agreement with the IMF and the World Bank. He stated "that they [the IMF and the World Bank] have provided strong support to Morocco through loans, credit facilities, and the technical capabilities which the IMF made available to Morocco."

Regarding the result of the economic reform program, Berrada stated, "In the late seventies and early eighties, Morocco faced economic and financial difficulties stemming from the negative environment caused by the increase in interest rates, exchange-rate fluctuations, the expansion of protective measures by industrialized countries, and a shortage of financing resources, which exacerbated the difficulties that accompanied a five-year drought.

"To confront these problems, Morocco pursued a policy of appraisal and restructuring with the support of the IMF and the World Bank. The government introduced economic policies that applied to a number of sectors regarding public finance, money, loans, the balance of payments, and foreign

exchange. It also introduced a number of reforms applicable to the main sectors, e.g. trade, industry, agriculture, the tax system, and the public and private sectors. These efforts made it possible to achieve good results in assessing public finances and foreign accounts, and in controlling inflation."

Berrada added: "Tax reform was the most important component in this policy. The goal was to increase state revenues by expanding the tax base and improving fiscal administration. The policy also acted to control public spending and to lower some of the expenditures made for public-sector companies. Regarding foreign accounts, Morocco has taken a number of measures, especially in the area of liberalizing foreign trade and the foreign-exchange system, encouraging export-oriented sectors, and attracting more hard currency to the country, whether through export or tourism or other services. After a decade of ongoing efforts, and despite the reversal of international economic conditions, Morocco has achieved encouraging results by stabilizing its domestic and foreign financial balances, and by reducing the treasury deficit from 12.5 percent of GDP in 1982 to 3.1 percent in 1991. Also, public savings totalled 3.5 percent in 1991, compared to a large deficit in the early eighties. On the foreign level, the current account deficit of the balance of payments was reduced from 13 percent of GDP in 1982 to 2 percent in 1991. Also, all foreign debts in arrears since 1988 were remedied, and the country's hard currency reserve was reinforced by about \$3 billion, which is equivalent to 1 and ½ month of goods and services imports. Berrada described the economic reform policy as having enabled Morocco to get through a difficult period. He stated: "We were brave. We were willing to implement an economic reform program when many were criticizing this policy. Now, the same critics are applying this policy years behind us."

Berrada stated: "The current establishment and entrenchment of a market economy only strengthens Morocco's adherence to its liberalizing orientations. This entrenchment also ensures Morocco a favorable position vis-a-vis countries which are now beginning to apply this approach." He said: "The financial assessment and structural reforms which Morocco adopted beginning in 1983 have enabled the national economy to achieve qualitative development in strengthening the market mechanism, and encouraging free initiative and openness to abroad." Regarding the dirham's position, he stated: "The exchange rate of the national currency was changed in 1990 against world currencies to control inflation and increase the international competitiveness of Moroccan exports.

He stressed that Morocco will prepare to make the dirham a convertible currency as of early 1993 based on the ordinary operations stipulated in chapter three of the Basic Law of the International Monetary Fund.

**Agricultural Production Declines, Economy Slows**  
*92AF1000A London AL-SHARQ AL-AWSAT in Arabic*  
*2 Jul 92 p 10*

[Text] Rabat—A Moroccan economic study expects a decline in economic growth in Morocco this year of 3.2 percent on the basis of 1980 fixed prices, as a result of a drop in agricultural production.

That came in a publication of the Moroccan Center for the Study of Economic Conditions under the title "Social and Economic Revenues for 1991 through 1992." The publication reviews 1991 overall and sectorial economic circumstances, the development of financial and financing changes, and trade. The last chapter also includes the center's projections of economic performance in the current year.

The study expects that the Moroccan economy will see a big decline in its growth rate compared to last year's performance. After an effective growth rate of 5.3 percent in 1991, the expected growth rate during the current year will be negative, -3.2 percent, on the basis of 1980 fixed prices. The principal cause of this is the drop in agricultural production, which had been the primary mover of speeding up the 1991 growth, that at a rate of -32 percent of fixed prices. Thus economic growth in Morocco during 1992 will essentially be linked to the extent of the revival of international trade and the growth of the world economy.

It has been obvious during the past 3 years that foreign demand and domestic demand have alternately propelled economic growth in Morocco, for in 1990 the growth of

exports at a rate of 21.6 percent and of investments at a rate of 15.6 percent were what constituted the effective elements in the dynamics of growth.

But in 1991, domestic consumption per family, which rose by 11.3 percent as a result of a 22.8 increase in agricultural yields, was what had a big effect in stimulating economic sales and in drawing a number of state-run economic sectors to fill local demand, and also some exporting sectors which were able to adjust and re-direct their production to the local market. Thus it can be said that excellent agricultural yields for 1991 had kept the Moroccan economy from recording a negative growth because of the stagnation the world economy and trade.

The Moroccan economy in 1992 goes back to betting on the resumption of growth in the world economy and on foreign trade as the mover of growth, after it was confirmed that agricultural yields for this year were poor, as a result of the drought and the scarcity of rain, causing a return of a relative contraction in local demand. Complicating things will be continuing inflationary pressure on the economy, which began to take on a disturbing increase starting in 1990, when the indicator of consumer prices—the cost of living—rose by 6.7 percent and the indicator of consumer prices rose by 8.2

#### Expected Development of Principle Indicators in 1992

Production	Growth Rate (Percentage)	
	1991 Results*	1992 Projections**
Gross Domestic Product (Current Prices)	11.0	2.8
Gross Domestic Product (1980 Prices)	5.3	3.2
Factors of Gross Domestic Product Inflation	5.4	6.2
Final Demand (Current Prices)		
Family Consumption	13.2	8.5
Department Consumption	12.1	5.5
Aggregate Creation of Fixed Capital	5.9	9.5
Exports (FOB)	5.6	14.0
Imports (CIF)	4.5	11.5
The Budget		
Budget Deficit, Percentage of the Gross Domestic Product	3.2	4.0
Foreign Trade		
Rate of Coverage	61.7	63.1
Current Deposit, Percentage of Gross Domestic Product	2.1	3.0
Unemployment Rate (Urban)	16.0	17.5
Consumption Costs (Cost of Living Indicator)	8.2	6.1
Sector Added Values (1980 Prices)		
Agriculture	22.8	22.0
Energy and Minerals	3.5	3.0
Industry	1.8	4.5
Construction and Public Works	3.0	5.0
Commerce and Services	1.0	4.0

\* Preliminary estimates by the Center (April 1992)

\*\* Preliminary projections by the Center (May 1992)

percent, and the cost of industrial production rose in 1991 at a rate of 4.5 percent, while the cost of selling wholesale in the same year rose at a rate of 6.4 percent.

Experts at the center expect a continuation of inflationary pressures in future years, and the center does not dismiss the possibility that Morocco will see double-digit inflation. The current inflation, which center experts call "restructuring inflation," is due to circumstances of the transitional phase that the Moroccan economy is going through, and the unfinished nature of the economic reforms in the framework of restructuring the economy. All that resulted in financial and monetary pressures from which inflation arises. This, of course, is in addition to the action of traditional factors such as an increase in the overall money supply (17 percent in 1991) and an increase in the cost of money and an increase in certain types of income, along with workers' expectations.

#### 'Fragility' of Economic Recovery Discussed

92AF1163A Paris *LE MONDE* in French 11 Aug 92 p 13

[Article by special correspondent in Rabat Eric Fottorino: Morocco Within Reach of Europe"—first paragraph is *LE MONDE* introduction]

[Text] After 10 years of "structural adjustment" policy, the Moroccan economy is doing better. The public sector is experiencing strong growth, but the country still faces a major problem with youth training.

Late in June, in Rabat, high school students were hanging out in groups in the parks, holding textbooks or notebooks, repeating formulas and lessons, indifferent to the blossoms of summer. A few could still be seen turning pages by the light of park lamps, in the cool of the evening, hoping to memorize the sesames of the baccalaureate. A few weeks later, the World Bank president, Mr. Lewis Preston, came on location to hail "the huge economic progress achieved by Morocco during the last decade, thanks to a program of stabilization and structural reforms" started in 1983. Ten years of efforts and sacrifices to restore major balances, spare the country a major financial crisis, and point it in a resolutely liberal direction. This is why the boss of the UN [sic] institution rejoiced as he marked out Morocco as a good student.

"But unemployment among young graduates appeared during these years of adjustment," economist Habib Malki, in charge of the CNJA (National Council on Youth and the Future) cautioned; the CNJA was created on the king's initiative to face this acute problem of Moroccan society: the increasing discrepancy between the training provided and the jobs created by an economy in the privatization stage. Too many arts students, too many philosophers, not enough technicians, engineers, shop supervisors. "Over 60 percent of the population is under 30. Their problems are those of all of Morocco," according to Mr. Habib Malki, who is in the opposition but ready to work with the king to meet the employment challenge through a strategy called "prospective realism."

Actually, for all these young people conscientiously cramming for their exams, the future is in most cases a dead end,

and the words of the World Bank are not gospel. Out of 100,000 young people looking for work at the beginning of 1991, 15,000 did not want to work either for the government or for the established public sector; they preferred to create their own business.

With its program of "21 measures for youth employment," the CNJA integrated this new determination, opening credits for young promoters, offering assistance in the creation of businesses. For offers already identified—but not yet met—high school graduates are given a so-called second-chance training aimed at integrating them eventually into the new-look Moroccan economy.

#### A Beggar Turned Merchant

For 30 years, the monarchy had been talking about free enterprise without implementing it; what we witnessed, on the contrary, what the spectacular bloating of the public sector in sugar and cement mills, banks, hotels and tourism—all sectors that are about to be privatized in spite of delays that the "boss of bosses," Mr. Bennani-Smires, deplores. "A State that sells sleep and sun, that is outrageous," Professor Malki observed.

This growth was accompanied by lax management, made possible by sometime high phosphate prices, excessively high protective rates (up to 400 percent for customs duties), and abusive recourse to financial markets at the expense of the private sector, which lacked resources, men, and determination. There was no future but with the State, people (and graduates first of all) believed. Morocco had to suspend its payments at the end of 1982 (foreign currency reserves amounted to only \$50 million), and the following year it adopted the famous structural adjustment program (SAP), the fruits of which it is now reaping: resumption of growth (about 5 percent per year), restored budget balance (deficit below 1 percent of the gross domestic product, the GDP), foreign capital inflow (\$400 million this year, compared with \$100 million in 1986), a debt that is certainly still high (\$21 billion) but, after six reschedulings at the Paris Club, should not have to be renegotiated again.

Morocco is preparing its comeback on the international financial market; it is deregulating its financial system and its trade; it announced the forthcoming convertibility of the dirham. The only causes for concern remain inflation, which rose to 8.2 percent last year (compared with 6.1 percent in 1990), and especially urban unemployment, culminating at 20.3 percent in a country where some 6 million, i.e., one-fourth of the population, live below the poverty level.

Few countries will claim that World Bank programs are instruments of liberation. Morocco is one of those who do. "The SAP closed the parenthesis of the colonial pact," the minister of foreign trade, Mr. Abou Ayoub, assured. "We are a beggar turned merchant. We had no means to negotiate as long as we had to rely on foreign help to make ends meet. Today, over 1,000 Moroccan manufacturers are exporting. We are not an artificial dragon. We used to have trading posts in Genoa and as far away as Kano, in Nigeria. We have not lost this bazaar business; these manual crafts are quite sophisticated."

After 10 years of efforts, Morocco will be the first developing country to complete its adjustment. "The private sector, at first, was violently against us," Mr. Abou Ayoub remembers. "Now it is asking for openness. We did not use the drastic Algerian-type remedy, but the homeopathic dosage. This is why it took us 10 years." Has the Moroccan economy completed its metamorphosis? "Everything we do remains fragile," Mr. Bennani-Smires confided, deplored the banks' lack of support for the modern production apparatus, the lethargy of the stock exchange, and labor laws "that give maximum protection to workers." While he is pleased with the de-Moroccanization law, which enables foreigners to retain full control over businesses in Morocco, he deplores the excessive cost of industrial real estate (due to speculation) and energy, as well as the taxation level, which he thinks is a deterrent to corporate profits.

All the same, during the past few years Morocco has improved its position in the textile, agribusiness, fishing, mechanical engineering, and electronic industries, due to the successful establishment of companies such as Peugeot and Thomson. Is such openness to foreign operators, accompanied by a privatization policy, in the country's best interest? "Yes," Mr. Habib Malki answered, "as long as they comply with Moroccan philosophy: do not lay off workers; promote regionalization in this way; do not increase wealth concentration." And he claimed to be in favor of subcontracting if it is a starting point for in-depth industrialization. And that brings us back to training problems...and also to problems of technology transfers and foreign capital contributions. Requirements that materialize in one word: Europe.

After the Danish "no" to Maastricht, many Moroccan officials in Rabat were ready to add their country's name to the treaty, "if they needed a twelfth member." Some recalled the king's words in his official application for EEC membership in 1987: "Morocco," he said, "is a tree whose roots go deep down into African soil, but whose branches rustle in the European wind."

#### Five-Hectare Farms

The minister of foreign trade, Mr. Abou Ayoub, was more precise: "Our future hangs on our ability to merge our economic environment with the EC environment, with Mr. Bennani-Smires studying, for his part, Morocco's moorage in a rational world."

Located 14 km from Gibraltar, this country feels that it is European, as 60 percent of its imports (energy excluded) come from the EEC and 65 percent of its exports go there. As for its two primary sources of foreign currency, tourism and income transfers by emigrant workers, three fourths of them come from the Old Continent; in 1990, they amounted respectively to 2 billion and 6 billion francs [Fr]. Add to this the large projects—gas pipeline between Algeria, Morocco, and Spain; permanent link through the Strait of Gibraltar; construction of a power line between North Morocco and Spain—and it becomes a material fact that Morocco is tied to Europe.

In addition to the thorny issue of human rights, the major obstacle to integration has to do with agriculture. Seen from

Rabat, this is a sector that is still archaic (farm size does not exceed 5 hectares) and still employs 40 percent of the working population in spite of a strong drift away from the land, involving close to 300,000 people per year. But, on the other side of the Mediterranean, the [EC] Twelve fear the spectacular horticultural boom that is taking place in makeshift greenhouses which, around Agadir, are competing with EC products. "We must repay our foreign currency debt. We are not going to sell Ariane!," the minister of agriculture, Mr. Othman Demnati, exclaimed, happy to see Breton tomato producers establish partnerships with local firms in Morocco. "The climate favors us. We have water, light. Our role is to develop Europe's vegetable garden, but we remain structural importers of grains, oleaginous products, and sugar. In a free-trade system, we shall continue to buy from the Twelve."

It is also in this spirit of partnership that Morocco intends to play its industrial card with no fraud or counterfeiting (the courts punish them), but in the open, pushed by a desire to emulate Europe. "We must complete the deregulation program, dismantle the remaining barriers, and further improve our productivity," the minister of finance, Mr. Mohamed Berrada, stated. "We must consider our social future," Mr. Habib Malki keeps saying for his part, thinking of the young idle graduates, the ferment of a future explosion. "The king does not do anything without constraint, nor under constraint," people in Rabat say. In other words, the new free-enterprise players are on their own, with the Pillars of Hercules on the horizon.

#### Youth Council: Funds for Unemployed Graduates

92AF1050A London *AL-SHARQ AL-AWSAT* in Arabic  
23 Jul 92 p 10

[Unattributed article from the Casablanca bureau]

[Text] The National Youth Council of Morocco has earmarked 642 million dirhams to help a large group of unemployed graduates to establish their own commercial projects.

This came after statistics on the number of unemployed graduates in Morocco, collected in the first quarter of 1991, disclosed that 1,597 youths out of 100,374 had filled out statistical registrations, seeking to establish investment projects.

The relevant authorities in the National Assembly have prepared a program to assist in setting up these projects. This program was implemented in three integrated phases: the advanced project preparation phase, the study planning and investment file phase, and the actual project realization phase.

The first phase ran from May 30 until July 7, 1991. Media days were organized in various parts of Morocco to announce the legislative and organizational texts for the process. About 20 experts were recruited for that task.

The second phase ran from October 31 until November 19, 1991, and was in two parts. The first part was the comprehensive assistance period and was aimed at listening to

candidates and explaining the difficulties facing the implementation of their projects, in order to find solutions to these problems. The second period was organized in the form of workshops to offer personalized assistance to the youth, in order to complete economic feasibility studies for their projects, and the preparation of investment files. The third phase is separate; it is the actual realization phase for the projects. The results are as follows: 23.3 percent of the projects nominated were implementable immediately, 31.77 percent implementable but with conditions, 34.3 percent incomplete in terms of studies and information, and 10.5 percent unrealizable.

The funding figure necessary to implement all the implementable projects is 642 million dirhams. The projects would create 9,117 employment opportunities.

Chief among the obstacles noted in the framework of this operation was the problem of obtaining the industrial and commercial premises for 35 percent of the projects, the issue of the share self-funded by the project owner for 23 percent of all the projects, lack of information in the general field of the work for 21 percent, and problems of administrative permits for 10 percent.

The president of the Moroccan banks' vocational group confirmed, during the National Young Contractors Meetings organized in Casablanca, the group's determination to do its utmost to eliminate all financial obstacles faced by the young. He also explained that the group was ready to provide the necessary financial resources to fund those projects that may be implemented, selected by the national program for the media and assistance for contracting, and to create a permanent office for monitoring the funding of these projects.

The Vocational Chambers spoke of their mobilization for the service of young contractors through comprehensive and continuing assistance at the local and national levels. A treaty between the National Council for Youth and the Future and the Vocational Chambers was signed, which committed the Chambers to monitor the program and redo the process the Council undertook on a regular basis, supplying regular reports and statistics on the results and the outlook. The Council also committed itself to put its expertise at the disposal of the Vocational Chambers.

Among the recommendations the Council issued in its final communique at the National Young Contractors were the following:

- Determining the scope for preparing industrial and commercial zones to the advantage of young investors.
- Starting a media campaign for the benefit of decision makers at all levels, especially the administrative and local levels, to raise the standards of coordination between the young contractors and the relevant agencies for the implementation of projects.
- Getting the creating institutions and vocational societies involved in setting out a special training program for graduates, mobilizing most of them, and training them to take up their responsibilities as contractors.
- Flexibility in applying the regulatory provisions, strengthening the media network, the participation of large institutions in supporting the growing contractors, the participation of beginning contractors in public deals, the inclusion of founding banks in total funding of the project, and attention, in the area of international cooperation, to some financial institutions, in order to obtain new funding to be used more flexibly, in response to the needs of young investors.

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